

PRESIDENT'S RULE A Cover for Congress(R) To Use Administration against Political Opponents

More than a month has passed since the imposition of President's Rule in West Bengal necessitated by the dissolution of the State Assembly in flagrant violation of all norms of parliamentary democracy on the recommendation of the erstwhile Chief Minister, Sri Ajoy Mukherjee, whose majority in the House was questionable. In order to nakedly use the administration in the interest of the Congress (R) and to bring the administration completely under its grip the Central Govt., headed by Sm. Indira Gandhi, took an unprecedented step in appointing Sri Siddhartha Sankar Ray in his present position in spite of the presence of the Governor who is supposed to be constitutionally the administrative head of the State during the President's Rule.

SUC ORGANISER KILLED IN SURI

Comrade Jagannath Banerji, a veteran SUC organiser of Panuria Village in Bhurkuna Anchal under Suri P.S. area was attacked on the night of July 27 by some miscreants alleged to be Naxalites, who inflicted several injuries all over his body with sharp weapons. He was removed to Suri Hospital where he expired on July 29. Though informed, the police have not yet taken any steps against the miscreants.

The members of the public apprehend that an unholy alliance of the police, the Naxalites and some political parties is behind these killings.

The Red Flag was half-mast at the State Committee Office. The State Committee expressed its heart-felt condolence to Com. Banerjee's family.

Joynagar Town Committee Secretary Expires

Com. Asit Sarkar, Secretary, Joynagar Town Committee of SUC has expired on 30th morning.

The Red Flag was flown at half-mast at the State Committee Office to pay homage to Com. Sarkar. The State Committee has expressed heart-felt condolence to Com. Sarkar's family.

Even the past experience of the last President's Rule in West Bengal when the administrative machinery was allowed to be highly influenced by the C.P.M. does not warrant this step. The W. B. State Committee of our party has strongly protested against it.

The experience of even this short period after the promulgation of President's Rule shows that the Congress (R) is following the same old practice of the undivided Congress, to use the administration against its political opponents, harass, arrest and detain without trial the workers of different Left and democratic parties, work in league with the criminals, anti-socials and the police unleashing a reign of terror and criminal activities in different parts of the State. The Congress leaders have not failed in their own way to learn from the lessons of history! They are going to pay back the C.P.M. in their own coins in every possible way by using the administration against the opposition and in favour of their own petty party interest. It may be called a boomerang with a notable difference only. Whereas the C.P.M. did all these mischievous deeds (particularly during the second U.F. Govt.) with so-called

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Vietnam Day Rally in Calcutta

(By a Staff Reporter)

A large rally was organised under the joint auspices of the DSO, the DYO, the Mahila Sanskritik Sangha and Pathikrit on July 22 at Calcutta to express solidarity of the Indian people with the freedom fighters of South Vietnam.

At a massive gathering in Subodh Mallik Square a resolution, urging the Government of India to immediately recognise the Provisional Revolutionary Government of South Vietnam, was passed unanimously. A procession was taken out after the meeting which paraded through Lenin Sarani, Jawaharlal Nehru Road and reached the US consulate on Ho Chi Minh Sarani.

The demonstrators raised slogans demanding immediate withdrawal of US troops and allied forces from Vietnam. Slogans were also raised condemning US arms aid to Pakistan in its war against the freedomfighters of Bangladesh.

Comrade Protiva Mukherjee, former Minister of West Bengal, presided over the rally at Subodh Mallik Square. Prof. Subir Basu Roy (Pathikrit) moved the resolution. Comrade Chhaya Mukherjee (DSO), Comrade Gopal Kanjilal (DYO) and Comrade Usha Sen (MSS) spoke in support of the resolution.

Solidarity Rally in Gauhati

In observance of Vietnam Day a big public meeting under the joint auspices of the Assam State committees of the U.T.U.C. (Lenin Sarani), the DYO and the DSO was held on July 20 at Gauhati Church Field under the presidentship of Comrade Bimal Chakravarty a leader of the U.T.U.C.

The meeting expressed its solidarity with the Vietnam revolutionaries and demanded that the USA must stop aggression and withdraw its troops and war-materials from Vietnam immediately. The meeting criticised the pro-imperialist policy of the Govt. of India and demanded immediate recognition of the PRG of South Vietnam by India.

The meeting also expressed its solidarity with the freedom struggle in Bangladesh and urged upon the Govt. of India to immediately recognise Bangladesh Government and render all possible help including arms aid to the freedom fighters of Bangladesh. Comrades Damodar Barua, Brojo Bhattacharjee, Swapan Gupta, Entrance Rabha addressed the gathering explaining different aspects of the revolutionary freedom struggle in South Vietnam.

DOLLAR CRISIS

The entire West Europe was rocked by a violent explosion last May, the sudden but not unexpected explosion of the Euro-dollar. The shock was felt throughout the imperialist capitalist world. But it was in West Germany that the shock was felt most violently.

In one single day, on May 5, speculators released some two thousand five hundred million dollars which flooded Western European exchange markets. West Germany was obliged to close down its exchange market. And except Britain and France, with stringent laws to impose governmental control over the exchange markets, other West European states also followed the suit.

For some time past, in the West European exchange markets, West German mark was steadily gaining strength against the US dollar and the rush for exchanging dollar for mark gained momentum. West Germany, under heavy strain, was obliged to release large amount of mark, which precipitated the problem of inflation in West Germany. To relieve the strain on mark it was felt necessary to revalue the currency.

Of the five-member Economic Advisory Board of the West German Government, four expressed in favour of floating the mark in the exchange market (which meant allowing the mark to freely float in the international exchange market, take the natural course of events and then finally settle at a place which would determine its exchange rate, with the governments accepting it as the official exchange rate). The fifth member of the Board proposed immediate revaluation of the mark.

It was these recommendations that led to the speculation that sooner or later the mark was going to be revalued and and speculators in West European exchange markets rushed to collect mark in exchange of dollar.

Was the crisis, then, a creation of West European speculators? Was it only a problem of exchange between the dollar and other European currencies, especially the mark? Or the chain of reactions that it produced signified the alarming economic crisis embracing the entire imperialist capitalist world, particularly the U.S.A.? Dollar being the currency of the U. S. A., was the recent dollar crisis solely a reflection of present crisis of U. S. imperialism, or it was a "particular expression of the general crisis" of world imperialism capitalism? Was it a step taken by the U. S. imperialism to establish dollar's domination over West European and other imperialist economies, or, it was rather an attempt of the crisis-ridden dollar to gain some space for its respite by cornering others? And lastly, will the steps taken by different countries on the face of the crisis resolve the problem, or it will lead, in near future, to another crisis of far greater magnitude and intensity in the imperialist world?

But, before delving into all these questions a few relevant points must be understood first.

Dollar made alternative to gold

Dollar has been accepted since 1944 as an alternative to gold as the standard medium of exchange in the capitalist

world, and the exchange rate of different capitalist currencies are now generally determined on the basis of their parity with dollar. The value of dollar, when it was accepted as an alternative to gold, was fixed at 35 dollars=1 ounce of standard gold.

Previously it was the practice that a country must keep in its treasury gold reserve equivalent to a definite percentage of the total value of currency issued by it. With the acceptance of dollar standard as an alternative to gold standard, the practice of keeping dollar reserve along with gold reserve was started. At that time the U. S. treasury alone accounted for 56 per cent of the total gold reserve kept in the treasuries of all the countries put together and the U. S. Government was in a position to release any amount of gold against dollar.

But the world situation has undergone many changes during the post-war years, and the once almighty U. S. dollar has lost much of its old prestige and position.

Let us examine those changes one by one.

Loss of relative stability of Capitalist market

Stalin in his Economic Problems of Socialism in the U.S.S.R. first pointed out that world capitalist economy at present no longer enjoyed that relative stability of market which it used to do, in spite of its general crisis, till the Second World War. Elaborating on these points, the great leader and teacher of our Party and a profound Marxist thinker of this age, Comrade Shibdas Ghosh, showed us how, the slipping out from the orbit of imperialism capitalism of a vast territory that now constitutes a part of world socialist market, its continuing growth and development, the loss of traditional markets in the former colonies, the reconstruction of national economy in the newly independent capitalist states, the increasing

appearance of the bourgeoisie of some of these newly independent capitalist countries as new competitors to the imperialists in the arena of international trade and commerce, and the increasingly developing trade between these countries and the socialist countries had ultimately resulted in a tremendous contraction of market of the major capitalist countries.

Growing militarisation of U.S. economy

This contraction of market leading to the loss of relative stability of the world capitalist market has further deepened the capitalist crisis and greatly intensified the antagonism between the imperialists.

Under the circumstances, to say in the words of Comrade Shibdas Ghosh, "the more acute the crisis in becoming the more militarised the economy of the imperialist capitalist countries is becoming. Attempts are being made by the imperialist capitalists to maintain, at least temporarily, the boom of the capitalist market through artificial stimulation by increasing military consumption." (War and Peace, Peaceful Co-existence and Peaceful Transition to Socialism).

And this tendency of increasing militarisation of economy has been evident in the case of U. S. imperialism right from the end of the Second World War. In fact the U.S. imperialism has been following this policy of increasing militarisation of its economy for the last two decades which has been largely responsible for landing the U. S. economy into such a quagmire today.

In order to support the ever-increasing militarisation of its economy the U.S.A. has for the last two decades, pursued a bellicose policy of forming military alliances surrounding the Socialist camp, establishing military bases in those countries, selling and

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All-out Militarisation Of Economy Aggravated US Crisis

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supplying arms to those countries and unleashing local wars as and when its expediency demanded. In order to maintain this vast world wide war-organisation, the U.S.A. today spends almost half of its total budget after military expenses, —about 80,000 million dollars. Only the Vietnam War annually costs the USA some 20,000 million dollars.

W. Germany, Japan new challengers to U.S.A.

Again, in the name of taking up the so-called defence responsibilities of West Germany and Japan, the U.S.A. released huge stocks of dollar in order to subjugate these countries, suppress the revolutionary movements of the peoples of these countries and build up war bases in these two countries facing the two ends of the Socialist world.

West Germany and Japan, on their part, utilised the U.S. reconstruction aid to the fullest to reconstruct and consolidate their respective economies and finally emerged as powerful competitors to the U.S.A. in the world capitalist market. The earning of largest amount of foreign exchange, through export by Japan last year and the accumulation of about 20,000 million dollars in the hands of West Germany only go to establish the truth.

Both these countries have fastly developed their economy, with their defence responsibilities and consequential expenses borne by the U.S.A., expanded their export not only of commodities but also of finance capital and has been successful to a considerable extent in cornering the U.S.A. in many fields which has resulted in the marked strengthening of the values of mark and yen against dollar.

Immediate factors behind US crisis

MILITARY EXPENDITURE:

Pursuing this policy of increasing militarisation of economy, the U.S.A., in its internal sphere has, for the last two decades been, consistently increasing its military expenses, expanding its defence industry in far greater proportion to its commodity and machine-building industries, and the State being the only consumer of defence products, boosting up of the defence industry only helped to steadily build up the inevitable inflation associated with it.

EXPORT OF FINANCE CAPITAL:

Secondly the pattern of U.S. export trade has undergone a change long since. The U.S.A. has become, in the main, a finance capital exporting country among all the imperialist countries.

This large-scale export of finance capital in terms of dollar is far surpassing the flow-back of dollars into the U.S.A.

The export of finance capital has, on the one hand created new productive capacities outside the U.S.A. resulting in gradual decrease of import by these countries of commodities from the U.S. market, thus accelerating the process of recession in the U.S.A. itself, and, on the other hand, accumulated huge stock of dollar abroad.

DEFICIT TRADE BALANCE:

Thirdly, in respect of commodity trade the USA, unlike other major imperialist countries, is experiencing a deficit trade balance today. The inability of commodity export to keep pace with the increasing import and the out flow of dollar as aid, assistance etc. have resulted in severe deficit in the balance of payment. (though, of late

steps are being taken in many ways to restrict import.)

LOANS AND AIDS:

In order to increase its export to different countries after the Second World War, the U.S.A. has for long been pursuing the policy of supplying these countries with millions of dollars in the forms of so-called aids and loans through semi-official and unofficial agencies and compelling them, against their national interest, to purchase American goods. Some of these loan receiving countries however, particularly those of West Europe as also Japan, utilised a part of such loans and aids in developing new industrial capacities and ultimately emerged as competitors to the USA in certain spheres.

ACUTE INFLATION:

All these factors taken together, along with the 2-decade-long policy of unleashing local wars and maintaining war-tension by creating military alliances like SEATO, CENTO, NATO and establishing military bases all over the world for which millions of dollars have been and are still being spent, have ultimately plunged the U.S.A. into an acute inflation.

All these developments—the acute inflation, the heavy pressure of dollar accumulated abroad and the increasing war expenses—have grossly lowered the prestige of dollar in the world market. The U.S. treasury, with gold reserve worth only 11,000 million dollars, is not in a position to-day to meet even the total accumulated dollar in the hand of West Germany, not to speak of Europe or the world. As a result, the dollar-gold parity has come down to 40 dollars to 1 ounce of standard gold from 35 dollars to 1 ounce.

Unprecedented unemployment

As a direct consequence of this grave situation, the U.S.A.

is facing a serious crisis in internal sphere today. Apart from the lowering of the real value of dollar, the inflation and the problem of adverse trade balance, other problems have cropped up to make the situation worse. Those are the increasing burden of taxation on U.S. citizens, the sharp rise in unemployment, and, last but not least, the tremendous agitation against the militarised economy and the country-wide movement against continuance of the Vietnam War.

The U.S.A. today is facing the worst unemployment crisis in its history by creating a vast contingent of seven million unemployed. The inevitable defeat the U.S.A. is facing in Vietnam has further accentuated the crisis. Being faced with inevitable defeat in Vietnam on the one hand, and the mounting anti-war movement inside the country on the other hand, the U.S.A. has been forced to adopt the policy of phased withdrawal of American troops from Vietnam. And this, according to President Nixon, has swelled the ranks of unemployed by another one million. Add to it another hundred thousands employed in defence industries and establishment who face the threat of retrenchment in the event of an end to the Vietnam war.

Taking into account the anti-war mood of the American people, as also the external factors, like the emergence of world Socialist Camp as the bulwork of peace the anti-imperialist liberation struggles in colonies and semi-colonies, the powerful peace movement and working class movement within the imperialist capitalist countries and the anti-world-war stand—at least for the time being—of the newly independent capitalist countries, it will not be easy for the U.S.A. to launch a new war

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“Social Democratic Policy of Congress(R) is going to be the rock-bottom foundation of Fascism in India”

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—Com. Shibdas Ghosh.

“popular” mass support and in the name of “revolution” the Congress (R), on the other hand, inspite of its recent progressive postures has not yet been able to muster that amount of backing of the people and to give it a “progressive” label. Be that as it may, it must be admitted that it is the legitimate democratic movement of the people that is suffering most under the circumstances.

One cannot overlook the danger posed by the recent politics of the Congress (R). The party which became practically isolated from the masses during the period of '67-'69 in West Bengal has now adopted a policy of clamouring the various popular demands of the people in its bid to regain its lost position as much as it can and to take away the wind from the sail of the left politics in its favour. The recent moves of the Chhatra Parisad and the Yuba Congress are solely directed to achieve this end. It is really very sad that the Congress (R), the most dependable defender of monopoly capitalism in India—which is at the root of the miseries of the common people—has been able to create some sort of “progressive” image in mass mind due to the serious weakness of the left movement inspite of the tremendous increase of the organisational strength of the C.P.M. in West Bengal. The recent revival of the Congress (R) from a position of virtual burial is only symptomatic of that weakness the advantage of which is being fully utilised by the ruling party. To the Congress (R) no “progressive” or even “revolutionary” slogan is considered taboo today if it helps in furthering the interest of the party without basically affecting the cause of the aggregate interest of monopoly capitalism in India. And this is what is called social democracy, the rock-bottom foundation of fascism in India—which both the C.P.M. and the C.P.I. have failed to realise. This social democratic politics under the aegis of the ruling party constitutes the greatest danger before the legitimate

democratic movement of the people.

The issue of Bangladesh is going to be another trump card in the hands of the ruling party. The Govt. of India inspite of loudly speaking against the West Pakistani military rulers has not yet recognised the Sovereign Democratic Republic of Bangladesh and is only cautiously watching the attitude of different Great Powers of the World towards the question of recognition. On the floor of Parliament a good number of MPs, including those belonging to the Congress (R) have recently suggested limited military operation against Pakistan. It is to be noted in this connection that it is one thing to whole-heartedly support the struggle of the people of Bangladesh for complete national independence and render all possible help including arms aid to help the Bangladesh people attain that objective. But is it not an altogether different thing if the Govt. of India moves for foisting a government of its own choice on the people of Bangladesh in the name of helping the freedom movement there? Such an attempt, if there be any, is sure to be completely misunderstood by the fighting people of Bangladesh, and will endanger the interest of the freedom struggle itself, provide a handle to the Pak military rulers to paint the present freedom movement as being engineered by the Indian “agents” and may even provoke Pakistan to launch an armed attack against India. Such an eventuality will lead to dangerous consequences as it will seriously affect the interest of both the freedom movement and the democratic struggle of Bangladesh and West Bengal respectively. The

Indian bourgeoisie may, of course, feel delighted at the possibility of having a wider market at its disposal and the leaders of the Congress (R) might have already started calculating how best they can utilise this situation to cash in the election battle on the basis of a probable middle class swing in its favour—but all these have nothing to do with the interest of the common people of our country who are simply gasping under the capitalist exploitation.

Judged in this background it becomes clear that the left and democratic movement of West Bengal is in a complete mess today. While the CPI has decided to maintain the present alignment of the Congress (R)-led Democratic Coalition in West Bengal and to implement its programme, the F.B. on the other hand has declared that with the dissolution of the Ministry the Democratic Coalition ceased to exist as it was a combination to run the Govt. and nothing else. We consider this stand of the C.P.I. as inimical to the interest of the left and democratic movement inspite of the fact that the aggressive attitude and the left sectarian role of C.P.M. might have contributed much in making the C.P.I. adopt this stand. Fighting the disruptive and left-opportunistic politics of the C.P.M. is of paramount importance no doubt in the interest of united democratic struggle. But in the name of fighting the C.P.M.'s wrong politics, the strengthening of the hands of the Congress (R) can by no means be justified. We appeal to the leaders of the F.B. to give up their present reservations and come forward for discharging their role in the left movement which they used to do in the past. We appeal to the leaders

of the C.P.I. also to reverse their decision.

Recently the C.P.M. has been apparently extending its hands of co-operation to the left and democratic parties including the C. P. I. for united struggle but in reality maintaining the same old aggressive mood and disruptive role from top to bottom. It is to be noted that the C.P.M. has at last come to realise the incorrectness of its slogan of class-based front and has raised in its place, though belatedly, the slogan of unity of left and democratic parties and even admitted that the role of the C.P.I. and the Forward Bloc in the democratic movement has not yet been completely exhausted—a fact our Party has been hammering so long to impress upon the C.P.M. In a recent resolution of the Central Committee of the C. P. M. much emphasis has been given for forging unity among the left and democratic parties, at least on paper. But we are sorry to note that contrary to the behaviour of a genuine working class party which considers as indispensable the necessity of forming United Front with a view to intensifying the legitimate democratic movement of the people, the C.P.M. made the formation of a C.P.M.-led Government the focal point of this democratic unity. In West Bengal it appealed to all parties of the democratic coalition “to withdraw their support from the Ajoy Mukherjee Government in West Bengal and to facilitate the formation of a non-Congress Govt. by the C.P. I.(M)” and in Kerala to “the Right Communist Party, R.S.P. and P.S.P. to withdraw from the alliance with the Congress in Kerala and strive for a non-Congress democratic Govt. in the State.” (From the C.C. resolution published in Peoples

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Increasing Strength of C.P.M. is Decreasing the Combatability of the masses and Lowering their Cultural Standard

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Democracy dated 18th April '71). In states other than West Bengal and Kerala the C.P.M. views the necessity of left and democratic unity just to maintain its already squeezed strength any how. In these two states (i.e. West Bengal and Kerala) the C.P.M.'s concept of left democratic unity has become practically synonymous with formation of a C.P.M.-led government with the support of other left and democratic parties.

This approach has nothing in common with increasing the magnitude of the legitimate democratic movement of the people stage by stage culminating in the overthrow of the present capitalist system of the country. Such a movement can be built up only when all the left and democratic parties, particularly the big parties, come to realise the indispensable necessity of United Front at the present juncture. Com. Shibdas Ghosh, the leader, teacher and the General Secretary of our party has taught us that so long as the country will be passing through the present phase of democratic struggle and the different left and democratic parties will be exerting influence over the masses, the utility of the United Front politics will continue in force. He has pointed out that fighting the common enemy i.e. the Congress, the other reactionary parties, the vested interests and bureaucracy, on the basis of a common programme accepted by all and following a code of conduct and norms of behaviour conducive to the growth and development of healthy ideological struggles as a means to isolate in this process the pseudo-revolutionaries from the masses thereby establishing the leadership of the real revolutionary working class party necessary for leading the

working class to power—is the real essence of United Front politics as understood by a revolutionary party. So a real working class party views the necessity of forming a United Front with this sole objective and can never make the election issue or the formation of the government the basis of such unity even while recognising the necessity of participating in election battles under the present circumstances.

Coming to the question of the recent call of the C.P.M. for left and democratic unity it is to be noted that a peculiar role is being played by the party in West Bengal. In mutual discussions with different parties the C.P.M. leaders are showing more or less amenable attitude as if they are really eager to forge this democratic unity. Mr. Promode Das Gupta, the C.P.M. leader, went so far the other day that he expressed his readiness to fight unitedly even with C.P.I. on some common issues like the Central Budget, Police oppression etc, notwithstanding the fact that the C.P.I. is still a partner of the Congress-led coalition. But in the day-to-day propaganda of the party, in their different writings published recently just an opposite tone is being maintained even now probably to boost up their rank and file. Regular slanderous attack is being mounted against our party mentioning that we are still harbouring "illusion" about the so-called unexhausted role of the F.B., C.P.I., etc, in the democratic movement which definitely stands in contradiction with the opinion of Promode Babu referred to above. In a Bengali weekly, "Darpan," which was once characterised by no less a person than Mr. Promode Das Gupta as a C.I.A. organ but now unofficially but quite faithfully propagating in favour of the C.P.M.,

a report of Rotanda meeting held on 7th July last has been published, holding our party responsible more than any other party for allegedly attempting to corner the C.P.M. in connivance with all other parties. This report is fantastically baseless and false. In fact the official and unofficial organs of the C.P.M. are still showing unmistakable signs of slanderous campaign, vilifications against the left and democratic parties and particularly against us. Besides, attacks on the workers and supporters of different left and democratic parties even in connivance with the police, anti-socials and criminals, fabrication of stories, vilification and hate campaign against most of the fraternal political parties and the Gestapo tactics of killing and attacking the workers of fraternal parties being camouflaged as Naxalites—all these things are continuing absolutely unabated. Moving in the name of the Naxalites, doing all sorts of mischievous deeds against the political opponents but influencing the police and the administration to submit report against either the Naxalites or the political opponents who are themselves victims of aggression—these are only a few to mention the recent tactics of the C.P.M. To C.P.M. the left and democratic parties and their workers seem to have attained the position of the state machine. Otherwise it becomes difficult to explain why it is conducting such relentless attack against the fraternal parties with an attitude of destroying them, leaving of course, the capitalist state, the Congress and the class enemies to live in peace. Naturally, any struggle by the C.P.M., however militant and noisy, has nothing to do with the revolutionary objective as it is not directed against the

enemies of the people—the police and the administration, the vested interests and bureaucracy—but is solely aimed at increasing its strength in Parliament and State legislatures by even liquidating if possible the other left and democratic parties and, therefore, at a heavy cost of the democratic movement. Thus it is clear that not only the C.P.M.'s call for left and democratic unity is simply an election-oriented call directed to secure absolute majority in the State Assembly in West Bengal but even the day to day aggressive attitude of the party is the greatest hindrance in the way of developing this unity. The slogan of left and democratic unity by the C.P.M. objectively boils down to a manoeuvring tactics, if not a mockery unless it gives up its present aggressive attitude, the politics of murder and individual terrorism etc., comes forward to restore the necessary atmosphere for building up of united democratic movements of the people and rectifies its mistakes which mainly accounted for the breakdown of the U.F. in West Bengal. The C.P.I. and the F.B. have also to decide whether they are ready to move in the right direction, by severing their connection with the Congress-led so called Democratic Coalition. On these actually depend what will be the prospect of the left and democratic unity in West Bengal, whether it will be at all possible to organise an effective resistance against the onslaught of the ruling party let loose upon the democratic movement and how far the left and democratic parties will be able to unmask the myth of "progressiveness" of the Congress (R).

Since the dissolution of the W.B. Assembly the C.P.M. is trying hard to create a tempo
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Genuine Peace means Death-grave to US Imperialism

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at this very moment to relieve the pressure on its economy.

But the continuous militarisation of American economy throughout all these years, resulting in the transformation of the US economy into an out and out war economy, has finally pushed the U.S.A. into such a blind alley that it is impossible for the U.S.A. today pull itself totally out of all wars. As our beloved leader Comrade Shibdas Ghosh said, "The entire structure of American economy today is standing on quicksand. Just to drag out its existence the U.S.A. is constantly unleashing local and partial wars, here and there, all over the world. And such shameless aggression over others' territory and carrying on of military rampage there they have named "struggle for peace"! But any student of economics knows that a genuine peace means a death-grave to U.S. imperialism." (Speech delivered on August 15, 1967).

So, the US imperialists are faced with a queer dilemma. They can not go without war today. But the situation is going against them to unleash any new war either. The same imperialist policy, therefore which so long expressed itself through war manoeuvres is now being expressed in the form of peace manoeuvres. Elaborating this phenomenon, our leader and teacher Comrade Shibdas Ghosh said "Now we are observing a phase, though a very temporary phase, when they are trying to switch over from war manoeuvres to peace manoeuvres, both of which are two edges of the same imperialist policy. This imperialist policy is reflected some times in peace manoeuvres and at other times in war manoeuvres. The former phase is marked by continuous indulgence in localised wars while the latter by attempts to come

out from war impasse and have a stop-gap, a temporary respite, from the effects of open war...."

(extract from speech at the extended CC meeting of the SUCI, April 25-30, 1971)

But it is impossible for the USA to come out of the framework of its present-day militarised economy. Any attempt to solve the crisis it is facing today, has therefore, to be sought within the framework of that militarised economy. That is why it has taken up the programme of financial expansion in the internal spheres to increase employment potentiality and boost up commodity production and its export by keeping almost intact the expenditure on production of military hardwares.

Incidentally, it is worth mentioning here, that this policy of 'Peace manoeuvres' is reflected in the external sphere through its pursuing a policy of exploring new markets in the Middle East and the Far East by attempting to normalise her relations with Egypt and China in particular.

Cheaper money policy drives dollar out

Following the cheaper money policy adopted by the USA, to relieve strain on her internal economy, dollar rushed to Western Europe to take advantage of the higher rate of interest there.

In the wake of this dollar rush to Western Europe, American banks and financial institutions paid up their old debts to their European branches. And the Euro-dollar rushed to change itself into West German marks, Dutch guilders, French francs and Japanese yens in order to avail itself of the higher interest rate. West Germany and others were placed in the horns of a dilemma. To keep the parity of exchange undisturbed, it

was necessary to allow the dollar to be converted into their currencies and to allow that meant inviting inflation into their own economy in order to save the super-inflated dollar from being exploded.

On the other hand, any change in the exchange rate by revaluation of the mark and other currencies to restrict the influx of the speculative dollar would have resulted in rise in the prices of export commodities in these countries thus adversely affecting their export trade, while giving a fillip to American exports.

U.S.A tried to shift its burden on to others

Why the USA tried to shift its burden on to others? The answer is, firstly, any devaluation of the dollar would have lowered the international prestige and position of the U.S.A. in the imperialist capitalist world. Secondly, in such a case dollar's role as the international medium of exchange might have been challenged, and it has been challenged actually,—how, we will come to that later on. Thirdly, consumers in the U.S. home market also would not have supported this measure as it would have inevitably raised the prices of imported goods in the U.S.A.

The U.S.A. attempted to shift the burden of its crisis over to the shoulders of other countries by exporting its inflation, especially in West Europe and take advantage of the situation thus created.

Publicly it tried to project the crisis as not a crisis of the dollar, but a problem exclusively of West Europe and also of Japan, and it was for West Germany and Japan and other countries to decide how they would adjust their currencies with the dollar.

And to effect the above policy U.S. imperialism wanted that: (1) Britain should be included in the Common Market, as it

would be possible to some extent to protect and extend U.S. interests through Britain's entry in the Common Market. Again the conflict of interest that would inevitably arise between Britain and others in the E.C.M. would make it easier for the U.S. imperialists to infiltrate. (2) The attempt to consolidate the European Economic & Monetary Union should not be allowed to proceed any further, because, such a consolidation would further elbow out the U.S.A. from the West European market. (3) West German mark should be revalued, as that would effect a rise in prices of West German export commodities thereby indirectly helping the U.S.A. to boost up its export.

Like West Germany in Europe, Japan in Asia has also been gradually elbowing out the U.S.A. from Australian and other markets resulting in similar strengthening of the real value of yen against dollar. However, the U.S. pressure here to let Japan revalue her currency failed largely because Japan was not entangled in such inter-play of politico-economic national interests as had been evidenced in case of West Europe, and Japan, not only successfully resisted the U.S. pressure, but also took steps to restrict foreign investment, especially U.S. investment in Japan.

Charge of U.S. blackmail

The U.S. pressure on West Germany and other West European imperialist countries met with a "pointed revolt" of the European imperialist countries against the monopoly domination of the U.S. dollar.

The initial reaction to the U.S. attempt to pass over the crisis as an exclusively West European one was that, almost all the European imperialist countries accused the U.S.A. officially or unofficially for precipitating the crisis and

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US Imperialism Switching Over from War Manoeuvre

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accused her of "blackmailing" the Western European countries.

When the Euro-dollar first exploded, the West German Economics Minister openly declared at the hurriedly summoned E.C.M. conference that such pressure tactics on the part of the U.S.A. "cannot be tolerated with benign neglect." The French Finance Minister commented "Europe is having to pay for the U.S. policy of growth and full employment". An Austrian paper remarked at the end of the E.C.M. conference, "the economic measures taken by Germany, Switzerland and Austria were just attempts to resist certain symptoms of international monetary crisis, but could not touch even the fringe of the basic problem. The basic problem is the U.S. attempt to keep up the value of the U.S. dollar even violating all canons of economics as also the utmost chaotic condition of the U.S. budget.

The French representative at the ECM Conference reminded the member countries that during the last four years, at least four times they had to bear the burden of US crisis and readjust the values of their currencies only to save the dollar. In 1967 the British sterling had to be devalued due to US pressure, in 1968 the West European countries had to readjust the exchange values of their currencies with gold, in 1969 French franc had to be devalued and in the later part of that very year West German mark had to be revalued and now came the dollar crisis for which again the West European currencies were supposed to bear the brunt of the burden. And he made a fervent appeal to all to gut up an united pressure of the USA in order to stop the recurrence of such blackmailing once for all.

To Peace Manoeuvre

US pressure succeeds

But inspite of this common realisation of US attempt at blackmailing the West European imperialist countries, the latter could not put up a united face to such US pressure tactics as demanded by France, as the economic interests of these countries and their willingness and power to resist the US pressure varied in degrees, sometimes sharply. West Germany, having the largest stake in accumulated dollars, not an insignificant part of which came as loans to West German industries, proposed the floating of all European currencies in order to eventually raise their exchange rates. But others flatly refused it. West Germany unilaterally declared its decision to float mark upto 3 percent without prior consent of the IMF thus violating the latter's prescription to float not more than one per cent without permission and not more than 2.5 per cent with permission. The talk that was held between the West German and the US representatives on the eve of the ECM conference was never made public. But from the unilateral decision of West Germany to float the mark, thus virtually revaluing it, it may be presumed that the USA had secretly offered certain concessions to West Germany. Was it that the USA agreed to allow certain concessions to West German export in certain restricted spheres? Was it that the USA agreed to bear all the expenses of US army stationed in West Germany for which the former has in the recent past been pressing the latter to take over the burden? We do not know, but we may presume that some concessions must have been offered. As otherwise we would not have heard the late plea of the West

German Foreign Minister "not to blame the USA alone for the crisis"—a view, which openly contradicted the earlier statement made by the West German Economics Minister.

With West Germany deciding to float the mark, Holland following the suit and Austria and Switzerland revaluing their currencies, the disgruntled France not only announced its refusal to participate in any discussion in any matter relating to the European Economic and Monetary Union, but also, for the first time, agreed to let Great Britain into the ECM—whose entry she has been vehemently resisting throughout all these years. Was it to counterpose the growing West German economic supremacy in Western Europe or the secret understanding that might have been reached between West Germany and the U.S.A. which prompted West Germany to float the mark? Or both? Let us wait and see how the new relations take shape.

U.S.A. censored

Although the deliberate U.S. attempt to cross over the quicksand by riding on the back of other Western imperialist countries has been largely successful, the latter, who were rather circumstanced to submit before the bully, however refused to be bullied any further and unitedly came forward to censor the U.S. imperialism by unanimously accepting the following proposals:

- 1) the U.S.A. must put a halt to the growing deficit in its balance of payments;
- 2) It should release adequate gold from its treasury to support the dollar issued by it;
- 3) It should either restrict its programme of finance expansion for increased investment

in home market or take steps to prevent the outflow of dollar;

4) The West European countries should jointly impose restriction on dollar investment in European markets and,

5) In trade between two West European countries the use of dollar as standard medium of exchange should be gradually restricted.

All these recommendations were meant virtually to restrict further export of U.S. finance capital. And if the U.S.A. is ultimately obliged to give up before such united pressure of the Western European imperialists, the possible retaliation on her part by raising tariff wall to protect her internal market can not be ruled out altogether. And that may lead to a "tariff war" amongst the imperialist capitalist countries.

Contradiction intensified

The mutual conflicts of interests between the imperialist capitalist countries may assume newer shapes creating newer complexities in future. Indications of these are to be found in the U.S. emphasis on commodity export along with export of finance capital which will bring her in conflict with others especially West Germany and Japan, the unanimous censoring of the U.S.A. by West European imperialists, the Japanese decision to restrict foreign, especially U.S., investment and the inclusion of Britain in the Common Market. The consolidation of the European Economic and Monetary Union has been stayed for the time being. The withdrawal of French opposition to Britain's entry into the E.C.M. bears signs of her desire to check the growing strength of West Germany and of her attempts to oppose the growing mark-dollar understanding. Again, the eventual entry of Britain in the E.C.M. will

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Restore Necessary Atmosphere For Building up United Movement

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of struggle on the basis of certain demands which it forgot to press upon with same intensity during the three months rule of the Democratic Coalition in spite of the fact that most of these demands viz. the opening of the closed mills and factories, stopping eviction of the share-croppers from land etc. etc. were cent per cent valid even at that time. But the tragedy is this that the C.P.I.(M) is not in a position to develop mighty mass movements at the present moment and is therefore, thinking in terms of organising citizens' conventions, big meetings, demonstrations etc. culminating into a "bandh" at best. But that the "bandh" today, (in spite of recognising their importance as manifestation of public resentment) however successful, do not necessarily reflect an organised and popular mass support behind the sponsors of the bandh and that the ground for the success of such bandhs may lie elsewhere have been amply proved by the "successful" bandh in Calcutta a few days back at an unprecedented short notice, called not by any political party but by the Chhatra Parishad and the Yuba Congress. Many supporters of C.P.M. expected that West Bengal would witness massive movements at the behest of C.P.M. and U.L.F. (which is nothing but a pocket organisation of C.P.M.) immediately after the dissolution of the assembly. But no such movement has yet taken place. In fact the C.P.M. does not have and has lost, that strength of organising mass movement which it had in the past. No one can forget that when in 1952 the combined strength of all opposition parties in the West Bengal assembly was not even half that of the C.P.I. (M) alone in the last Assembly since dissolved it was possible to

develop mighty militant mass movements in West Bengal and foil many of the attacks by vested interests, reaction and the Congress Government. The movements against increase of Tram fare by one pice, the food movement etc are some of such mass movements. But to-day the C.P.I. (M) alone has been able to increase its strength in the West Bengal Legislative Assembly many many times than before, yet it has not been possible for it to develop any real mass movement, not to speak of militant mass movement which we witnessed in the past. West Bengal now has for all practical purposes, been handed over to the military and the police; forces of reaction are mounting attacks on the people. And the C.P.I. (M) with its increased strength is not in a position to develop any resistance movement of the people. Will it then be not correct to conclude that the increase in strength of the C.P.M. has been at the cost of democratic movement in the State? When the Home Ministry under the second U.F. Government in West Bengal was in the hands of C.P.I. (M), it waxed eloquent on intensifying 'class struggle'. Compared to 1969, the C.P.M. strength in the Assembly increased in 1971. It was only natural to expect that this increase in strength of the C.P.I. (M) would lead to further intensifications of 'class struggle.' But the reality is, their 'class struggle' evaporated. Their slogan of "Fight to live and live to fight" produced no fight. Will it then be very wrong to conclude that the so called 'class struggles' of the C.P.I. (M) develop only when they are backed by the Government, only when the police and other repressive organs of the State lend support to such 'struggles.' This being the reality, is there

any real value of the increase in strength of the C.P.I. (M) to the toiling millions and their democratic movement? If the increase in strength of a party does not correspondingly increase the strength of democratic movements of a country but on the contrary helps to decrease it—then does it not establish the non-revolutionary character of the party?

Another point needs discussion. It is admitted on all hands that Communism is a lofty ideal to attain which a higher cultural and moral standard is necessary. Without a proletarian cultural and ethical outlook and standard it is not possible to emancipate the people from all sorts of exploitation. It is for this reason that when a real revolutionary party succeeds in expanding its influence over the masses, the cultural and moral standard of the masses improves. If with the increase of influence of a party the cultural and moral standard of the masses does not improve, rather lowers then there is no doubt that that particular party is not a real revolutionary working class party. This is one of the acid tests of judging the character of a party. Here in our country we are finding that the more influence the C.P.M. is exerting on the students, youths and other sections of the people, the more moral depravity is being noticed. The Congress (R) is a bourgeois party. Its increasing influence will naturally lower the cultural level of the people. But the C.P.M. claims itself to be a Communist Party. How is it that its increasing influence among the students youths, Government employees and other sections of the masses is associated with more of corruption, graft, nepotism, mass copying in examination thriving immorality and increasing aimless desperateness among its supporters? This is a serious question which any honest and sincere cadre of C.P.M. can ill-afford to overlook.

In fine, it must be emphasised that unless the left and democratic parties, particularly the big left parties, come forward to build up legitimate democratic mass movements on a correct footing it is the

Congress (R) that will be highly benefited. Our Party agrees that the continuance of the undemocratic President's Rule should not be allowed for long and hence there should be election, as early as possible. But if the big left parties do not even at this stage realise the gravity of the situation and give up their respective obdurate stand for forging the left and democratic unity then the State of West Bengal, like most of the other states of India, may very soon turn out to be a paradise of the reactionary forces to the detriment of the interest of the common people of our country.

Dollar Crisis

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further intensify the contradiction amongst the Market countries.

And the U.S. imperialism will no doubt, avail itself of the opportunities offered by all these contradictions to further its own economic and political interests which may again bring some of these countries to oppose, in varying degrees, the domination of U.S. imperialism.

Of course, under the present circumstances, so long the West European countries pursue the policy of anti-communism and continue their membership of the U.S.-led aggressive blocks directed against the socialist camp and so long the U.S. dollar remains the standard medium of exchange in the capitalist world it will not be possible for them to completely free themselves from the influence of and blackmailing by the U.S.A.

But, once the supremacy of the dollar having come into question, the revolt against dollar is certain to grow in course of time, and, notwithstanding the factor mentioned above, the internal contradiction of the imperialist capitalist camp is sure to intensify further with the general intensification of capitalist crisis.

So, in this era of all out crisis of world imperialism-capitalism one attempt to resolve a crisis leads to another crisis of far greater intensity and magnitude, and as our leader and teacher Comrade Shibdas Ghosh said, "Thus their way of resolving one crisis creates the ground of a more intensified crisis and this vicious cycle will continue. The only way to get rid of this is to hasten its end through proletarian revolution."